

**SUMTER COUNTY BOARD OF COMMISSIONERS  
EXECUTIVE SUMMARY**

**SUBJECT:** Sumter Electric Cooperative, Inc (SECO) Agreement  
**REQUESTED ACTION:** Request BOCC to sign SECO Agreement

☐ Work Session (Report Only)    **DATE OF MEETING:** 3/23/2010  
☒ Regular Meeting                      ☐ Special Meeting

**CONTRACT:** ☒ N/A                                              Vendor/Entity: SECO  
Effective Date: 3/23/2010                                              Termination Date: 3/22/2015  
Managing Division / Dept: Facilities Development and Maintenance

**BUDGET IMPACT:** N/A  
☐ Annual                      **FUNDING SOURCE:** N/A  
☐ Capital                      **EXPENDITURE ACCOUNT:** N/A  
☒ N/A

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**HISTORY/FACTS/ISSUES:**

SECO is requesting a service Agreement for the Villages Sumter County Service located on CR 139 necessary to establish electrical service, payment \$25,045.00 has been paid.

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## **AGREEMENT FOR ELECTRIC SERVICE**

This **AGREEMENT** is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, between Sumter Electric Cooperative Inc. DBA SECO Energy (hereinafter called the “**SELLER**”), and **Sumter County**, a subdivision of the State of Florida (hereinafter called the “**CONSUMER**”). **SELLER** hereby agrees to sell and deliver to **CONSUMER** and **CONSUMER** agrees to purchase and receive from **SELLER** all of the electric power and energy needed at the **Villages Sumter County Service Center** for or by **CONSUMER**, the sufficiency of which is hereby acknowledged by the parties hereto upon the following terms:

### **1. SERVICE CHARACTERISTICS**

- A. Service hereunder shall be considered to be firm and shall be **three-phase, alternating current, 4 wire , at sixty hertz and nominal standard 120/208 secondary voltage**. Any and all proposed meter locations require the advance approval of **SELLER** before meters can be installed. According to the foregoing description of the capacity of service, it is hereby understood that the transformer(s) to be installed by **SELLER** shall be rated at **500 kVA base rating**. The Parties also agree that the maximum load will not exceed **500 kVA**.

**SELLER** shall own, install or cause to be installed and prepare the facilities for the permanent service to be made available hereunder as soon as reasonably possible.

- B. **CONSUMER** shall not use the electric power and energy furnished hereunder as an auxiliary or supplement to any other source of purchased power and shall not sell, transfer or assign electric power and energy purchased hereunder.
- C. **SELLER** is willing to install the required electric service facilities to **CONSUMER** with the Aid to Construction Costs and interest expense for such facilities, in the amount of **\$25,045** to be **PAID for by the CONSUMER** in full at the time of approval of this agreement for service.

This installation is done based on **CONSUMER’S** commitment and **SELLER’S** expectation that the furnishing of all **CONSUMER’S** requirements in accordance with this Agreement will enable **SELLER** to recover its investments in such facilities.

D. Power shall be used by **CONSUMER** in such manner as will not cause objectionable voltage fluctuations, power factor issues or other electrical disturbances on **SELLER'S** system. **SELLER** may require **CONSUMER**, at **CONSUMER'S** expense, to install such corrective measures as will reasonably limit such fluctuations, issues, and disturbances. **CONSUMER** shall use reasonable efforts to take and use power in such manner that the load at the point of delivery shall not cause an imbalance between phases of more than ten (10%) percent. **SELLER** reserves the right to require **CONSUMER**, at **CONSUMER'S** expense, to make the necessary changes to correct such condition. In addition to any other remedies **SELLER** may have hereunder, if **CONSUMER** does not make such changes, **SELLER** may, in its determination of Billing Demand, assume that the load on each phase is equal to the greatest load on any phase.

E. Electric power demand and energy hereunder shall each be measured by standard metering equipment owned, installed and maintained by **SELLER** at no additional cost to the **CONSUMER**. However, **CONSUMER** shall bear all costs associated with the installation of any additional metering equipment that deviates from **SELLER'S** standard metering equipment, as required by **CONSUMER**. The above-mentioned special metering must be approved by the **SELLER**.

**CONSUMER** shall have the right but not the obligation to install its own metering equipment for monitoring energy consumption on **CONSUMER'S** side of **SELLER'S** meter.

## **2. PAYMENT**

**CONSUMER** shall pay **SELLER** for service hereunder at the rates and upon the terms and conditions set forth in the rate schedule attached hereto and made a part of this Agreement. **SELLER'S** rates may be adjusted by **SELLER** from time to time in accordance with its usual practices so long as **CUSTOMER** is treated similarly to others in its same class of service. Payment for service may be mailed to the office of **SELLER** or paid in any other such manner as may be utilized and mutually agreed upon by **SELLER** and **CONSUMER**. The minimum charge per month shall be \$0, or the minimum provided for in the rate schedule, whichever is greater. Such payment shall be due 15 days after the bill date for the preceding monthly billing period for services to

**CONSUMER.** If payment is not received within **30** days after such payment is due, **SELLER** may discontinue service to **CONSUMER** in accordance to the policy provisions of **SELLER** and after **5** days prior written notice provided, however, that any discontinuation of service shall not relieve **CONSUMER** of any of its obligations under this Agreement, including, without limitation, the obligations contained herein.

All parties expressly understand that **SELLER'S** rate schedule may change upon approval of **SELLER'S** governing board. The parties agree that a change in rate schedule shall be made effective and passed through in the next billing cycle following approval by **SELLER'S** governing board. To the extent State regulatory approval of a change in rate schedule is required in addition to governing board approval, the rate schedule change shall be made effective and passed through in the next billing cycle following receipt of such State regulatory approval or authority.

**SELLER** shall pass through and **CONSUMER** shall pay any applicable taxes levied on transactions thereunder, except to the extent **CONSUMER** provides **SELLER** with documentation acceptable to **SELLER** in its sole judgment establishing that **CONSUMER** is exempt from the obligation to pay all or any portion of taxes that **SELLER** is required to collect pursuant to the law.

3. **SECURITY DEPOSIT:** The **CONSUMER** shall maintain with **SELLER** a security deposit equal to two times the **CONSUMER'S** highest projected monthly bill. Based upon preliminary load estimates, the initial deposit amount will be \$ (no deposit required); however, the **CONSUMER** agrees to provide additional deposits to meet the **SELLER'S** deposit policy as outlined above upon thirty days written notice by the **SELLER**. The security deposit requirement may be met by any of the following:
- 1) Cash Deposit;
  - 2) Continuing Surety Bond in a form acceptable to the **SELLER**;
  - 3) Irrevocable Bank Letter of Credit in a form acceptable to the **SELLER**.

4. **MEMBERSHIP**

**CONSUMER** is and shall remain a Member of **SELLER** as long as **CONSUMER** (defined herein as Sumter County, Florida) is a party to this Agreement.

5. **FORCE MAJEURE**

Neither **SELLER** nor **CONSUMER** will be liable for any failure or delay in the performance of any obligation under this Agreement due to events beyond its reasonable control, including, but not limited to, fire, storm, flood, earthquake, explosion, strike, labor disruption, equipment failure, emergency operational work on the system, terrorist acts, riots, civil disorders, sabotage, transportation embargoes, failure or shortage of materials, acts of God, or acts or regulations or priorities or orders of the Federal, State or local government or branches or agencies thereof.

6. **RIGHT OF ACCESS**

Duly authorized representatives of **SELLER** shall be permitted to enter **CONSUMER'S** premises at all reasonable times in order to carry out the provisions hereof. In exercising its rights hereunder, **SELLER** shall not unreasonably interfere with **CONSUMER'S** operations. Prior to **SELLER** energizing the permanent service, **CONSUMER** agrees to grant seller all easement(s) reasonably necessary for seller to perform under the agreement if property is owned by **CONSUMER**, or **CONSUMER** will secure the easement(s) from property owner of **CONSUMER'S** facility.

7. **TERM**

This Agreement shall become effective on the date first above written and shall remain in effect for an initial term of **5** years (60 months) following the start of the initial billing period and will be renewed/extended automatically thereafter on an annual (12 months) basis unless terminated by either party giving to the other 12 months notice in writing.

8. **SUCCESSION AND APPROVAL**

This Agreement shall be binding upon and inure to the benefit of the successors, legal representatives and assigns of the respective parties hereto, but no voluntary assignment of this Agreement by **CONSUMER** shall be made without the prior written consent of **SELLER**. Provided, however, that any successor, legal representative or assign of **CONSUMER** shall become a Member of **SELLER**, if **SELLER** so requires, and **SELLER** may require security or a guarantee to assure compliance with this Agreement.

9. **LIMITATION ON LIABILITY**

In providing electric service under this agreement, **SELLER** disclaims any warranty of merchantability or fitness for a particular purpose of the electric power and energy supplied hereunder nor does it warrant uninterrupted service. Each party shall be responsible for its own facilities and personnel used in the performance of this Agreement and neither party shall be responsible to the other for damage to or loss of property, wherever located, unless such damage or loss is occasioned by its sole negligence or intentional conduct or by the sole negligence or intentional conduct of its officers, employees, or agents, in which event the associated loss shall be borne by the responsible party. In no event shall **CONSUMER, SELLER**, or any wholesale supplier of which **SELLER** is a member or purchases power from, be liable for any indirect, special, consequential, loss of revenue, or other such damages, of any type.

10. **NOTICES**

All notices and other communications required or permitted to be given hereunder shall be in writing and shall be mailed by certified or registered mail, postage prepaid, or by Federal Express, or similar overnight delivery service, addressed as follows:

**If to SELLER:**

**If to CONSUMER:**

SECO Energy	Board of County Commissioners of Sumter County, Florida
PO Box 301 Sumterville, Florida 33585-0301	900 W. Main St. Bushnell, Florida 33513
352-793-3801	352-793-0200
<b>ATTN: Key Accounts</b>	<b>ATTN: Doug Conway</b>

Notice shall be deemed to have been given upon receipt. Refusal of delivery or undeliverable for any reason, shall be deemed receipt.

11. **AMENDMENT AND MODIFICATION**

Either party in this Agreement may initiate modifications to this Agreement upon sixty (60) days advance written notice to the other party detailing suggested modifications to

this Agreement. No modification of this Agreement however, shall be valid or binding unless such modification is in writing, duly dated and signed by both parties.

**12. ENTIRE AGREEMENT**

This Agreement contains the entire agreement of the parties, and all prior communications, oral or written, are without any force and effect as it is the specific intent of the parties that this Agreement alone sets forth the terms on which the parties have mutually agreed. Each party specifically agrees that it enters into this Agreement based on its own understanding of the terms hereof and does not rely, in whole or in part, on any interpretation or representation of the other party. Each party agrees that this Agreement is the result of good faith arms length negotiations.

**13. SEVERABILITY**

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; and each and every remaining term, covenant or condition of this Agreement shall be valid and enforced to the fullest extent permitted by law.

**14. INDEMNIFICATION**

SELLER agrees to and shall defend, indemnify and hold harmless CONSUMER, , , and all, officers, directors, , associates, employees, , members, and agents of each, from and against all claims, damages, expenses, including reasonable attorneys' fees and costs, losses, causes of actions or suits which arise out of or relate to this Agreement and are caused solely by the negligent act or omission, willful misconduct, other fault of any nature of the Seller, its employees, agents, servants. SELLER acknowledges that CONSUMER, as a subdivision of the State of Florida, cannot indemnify SELLER in a reciprocal manner.

**15. GOVERNING LAW, JURISDICTION, VENUE**

It is agreed that this Agreement shall be interpreted in accordance with the laws of the state of Florida on all matters relating to this agreement. The parties agree that

jurisdiction and venue for any dispute arising from this Agreement shall only be in Sumter County, Florida.

**16. ADDITIONAL PROVISIONS**

Those additional terms described in Exhibit A hereto shall apply.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement all as of the day and year first above written, and by their signatures warrant that the individual whose signature appears below has the authority to enter into this Agreement and to bind their respective parties.  
**SIGNED, SEALED AND DELIVERED**

**CONSUMER**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SELLER**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ATTEST: GLORIA HAYWARD:**

Clerk of Court, Sumter County

By: \_\_\_\_\_  
Deputy Clerk: \_\_\_\_\_

**IN THE PRESENCE OF:**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_